



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB4198

Introduced 11/7/2005, by Rep. John A. Fritchey

SYNOPSIS AS INTRODUCED:

815 ILCS 530/10

Amends the Personal Information Protection Act. Requires a data collector to disclose to a consumer, at no cost, the personal information obtained resulting in a breach of the security of the system data.

LRB094 13810 RXD 48680 b

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Personal Information Protection Act is
5 amended by changing Section 10 as follows:

6 (815 ILCS 530/10)

7 Sec. 10. Notice of Breach.

8 (a) Any data collector that owns or licenses personal
9 information concerning an Illinois resident shall notify the
10 resident that there has been a breach of the security of the
11 system data following discovery or notification of the breach.
12 The disclosure notification shall be made in the most expedient
13 time possible and without unreasonable delay, consistent with
14 any measures necessary to determine the scope of the breach and
15 restore the reasonable integrity, security, and
16 confidentiality of the data system.

17 (b) Any data collector that maintains computerized data
18 that includes personal information that the data collector does
19 not own or license shall notify the owner or licensee of the
20 information of any breach of the security of the data
21 immediately following discovery, if the personal information
22 was, or is reasonably believed to have been, acquired by an
23 unauthorized person.

24 (c) For purposes of this Section, notice to consumers may
25 be provided by one of the following methods:

26 (1) written notice;

27 (2) electronic notice, if the notice provided is
28 consistent with the provisions regarding electronic
29 records and signatures for notices legally required to be
30 in writing as set forth in Section 7001 of Title 15 of the
31 United States Code; or

32 (3) substitute notice, if the data collector

1 demonstrates that the cost of providing notice would exceed
2 \$250,000 or that the affected class of subject persons to
3 be notified exceeds 500,000, or the data collector does not
4 have sufficient contact information. Substitute notice
5 shall consist of all of the following: (i) email notice if
6 the data collector has an email address for the subject
7 persons; (ii) conspicuous posting of the notice on the data
8 collector's web site page if the data collector maintains
9 one; and (iii) notification to major statewide media.

10 (d) Notwithstanding subsection (c), a data collector that
11 maintains its own notification procedures as part of an
12 information security policy for the treatment of personal
13 information and is otherwise consistent with the timing
14 requirements of this Act, shall be deemed in compliance with
15 the notification requirements of this Section if the data
16 collector notifies subject persons in accordance with its
17 policies in the event of a breach of the security of the system
18 data.

19 (e) For purposes of this Section, a data collector shall
20 disclose to a consumer, at no cost, the personal information
21 obtained resulting in a breach of the security of the system
22 data.

23 (Source: P.A. 94-36, eff. 1-1-06.)